

MINUTES

**Kentucky Community and Technical College System
Board of Regents Meeting
August 15, 2003**

Board Members Present:

Ms. Cynthia L. Read, Board Chair
Mr. Richard A. Bean, Board Vice Chair
Dr. Joseph B. Wise, III, Board Secretary
Ms. Donna J. Bartlett
Mr. William E. Beasley
Ms. Brenda R. Corey
Ms. Pamala J. Dallas

Ms. Cynthia E. Fiorella
Dr. John F. Hanel
Ms. Lorna D. Littrell
Ms. Penelope S. Logsdon
Mr. Mark A. Powell
Mr. Brandon W. Robinson

Board Member Absent:

Mr. Henry L. Jackson

CALL TO ORDER Board of Regents Chair Read called to order the meeting of the Kentucky Community and Technical College System Board of Regents at 11:05 a.m. (CT), August 15, 2003, in the Fine Arts Center Stagg Room at Henderson Community College, Henderson, Kentucky. She announced that the press was notified of the meeting on August 6, 2003, and that Hon. Beverly Haverstock, KCTCS General Counsel, would serve as parliamentarian.

There being a quorum present, Board business began with the approval of the minutes from the last meeting.

**APPROVAL OF
MINUTES**

MOTION: Mr. Powell moved that the minutes of the May 16, 2003, Board of Regents meeting be approved. Dr. Wise seconded the motion.

VOTE: The motion was approved unanimously.

**ADDITIONS OR
CHANGES TO
THE AGENDA**

By unanimous consent, an item requesting a review of Board of Regents expense policies was added to the agenda.

By unanimous consent, Agenda Item J-8, "Action: Resolution Authorizing the Call of Certain Bond Issues," was added to the agenda following Agenda Item J-4, "Action: Estimated 2004-06 Tuition Rate Ranges."

**MEETING
HOSTS**

Chair Read thanked the meeting hosts Dr. Patrick Lake, Henderson Community College President and Henderson Community and Technical College District CEO, and his staff for their hospitality. She noted that the college staff did an outstanding job preparing for the Board meetings and the reception, especially since the staff was simultaneously conducting fall registration. Chair Read expressed special appreciation to Ms. Rachael Barr and her team for coordinating the meeting logistics. She also thanked Dr. Lake and the college for the reception, noting that it was a pleasure to meet community members and those responsible for the college's success.

**COLLEGE
WELCOME**

In welcoming the KCTCS Board of Regents to Henderson Community College, Dr. Lake noted that the college has enjoyed "tremendous growth" in the last five years. Enrollment is up 58.5 percent since 1998, and the school has doubled its technical programs. He noted that the college partnered with the local chamber of commerce and received a \$3 million grant award from the Department of Labor to establish a training consortium, which now has over 50 members from local employers. Since March 2003, over 5,000 training hours have occurred with approximately 600 individuals benefiting from the training.

Ms. Heather McCormick, faculty representative to the Henderson Community College Board of Directors, also brought greetings to the Board. She noted that the faculty and staff are proud of the college's students, facilities, and the learning-centered education the college provides.

President McCall noted that the System as a whole expects enrollment for fall 2003 to reach the 70,000 mark.

**CHAIR'S
REPORT**

Chair Read announced the reappointment of Dr. Wise to a six-year term that ends July 2009 and the appointment of Ms. Brenda R. Corey, assistant superintendent for the Knox County Board of Education in Barbourville, who was appointed to a six-year term ending July 2009. Chair Read reported that Ms. Elizabeth R. Hames, Madisonville Community College, has been elected as the Technical College Staff Regent Elect 2003 and that Mr. S. Kent Robinson has been elected as the Community College Staff Regent Elect 2003. Their terms begin October 13, 2003, and end October 12, 2006.

On July 31, 2003, the Board's six new regents participated in a new regent orientation that was held at the System Office in Lexington. Preceding the Board's committee meetings on August 15, 2003, Henderson County Judge Executive Sandy Lee Watkins administered the Oath of Office to Ms. Corey and Mr. Brandon W. Robinson (Community College Student Regent). Chair Read announced that Ms. Corey would serve on the Academic Affairs and Curriculum Committee; and Mr. Robinson would serve on the Finance, Technology, and Human Resources Committee.

Chair Read reported that the Governor's Conference on Postsecondary Education Trusteeship would be September 21-22, 2003. The annual KCTCS Board of Regents and Local Board Chair Luncheon will be held in conjunction with the Governor's Conference on Postsecondary Education Trusteeship.

Chair Read noted that the next KCTCS Foundation Board meeting would be 2 p.m. (ET), August 26, 2003, at the KCTCS System Office.

Chair Read thanked Ms. Littrell and her husband, Mr. Darrell Littrell, for hosting the Board in their home for dinner on August 15, 2003. She noted that the dinner was a wonderful opportunity to honor the regents retiring from the Board.

**RESOLUTION
HONORING
MARK A.
POWELL**

Chair Read called attention to and read a draft *Resolution Honoring Mark A. Powell* (see Attachment B) that was in the Board members' packets.

MOTION: Ms. Littrell moved that the KCTCS Board of Regents approve the *Resolution Honoring Mark A. Powell*. Mr. Bean seconded the motion.

VOTE: The motion was approved unanimously.

**RESOLUTION
HONORING
PENELOPE S.
LOGSDON**

Chair Read called attention to and read a draft *Resolution Honoring Penelope S. Logsdon* (Attachment C) that was in the Board members' packets.

MOTION: Mr. Bean moved that the KCTCS Board of Regents approve the *Resolution Honoring Penelope S. Logsdon*. Dr. Wise seconded the motion.

VOTE: The motion was approved unanimously.

**RESOLUTION
HONORING JOHN
"JACK" F.
HANEL, PH.D.**

Chair Read called attention to and read a draft *Resolution Honoring John "Jack" F. Hanel* (Attachment D) that was in the Board members' packets.

MOTION: Mr. Beasley moved that the KCTCS Board of Regents approve the *Resolution Honoring John "Jack" F. Hanel*. Ms. Littrell seconded the motion.

VOTE: The motion was approved unanimously.

**RESOLUTION
HONORING
CYNTHIA E.
FIORELLA**

Chair Read called attention to and read a draft *Resolution Honoring Cynthia E. Fiorella* (Attachment E) that was in the Board members' packets.

MOTION: Ms. Littrell moved that the KCTCS Board of Regents approve the *Resolution Honoring Cynthia E. Fiorella*. Ms. Corey seconded the motion.

VOTE: The motion was approved unanimously.

Chair Read thanked the retiring regents for their service, noting that they always put students first.

**PRESIDENT'S
REPORT**

KCTCS President Michael B. McCall provided an update on current System activities, including enrollment; accreditation; performance indicators; the *KCTCS Strategic Plan 2000-2005, July 2003 Edition*; the Ad Hoc Team on Scholarships; Corrections Education; the KCTCS retirement information website; a donation from Toyota Motor Manufacturing, Kentucky (TMMK); the new System Office in Versailles; and the fifth anniversary of KCTCS. The report in its entirety is attached (see Attachment F). It also can be accessed at <http://www.kctcs.edu/organization/board/meetings>.

**CONSENT
AGENDA**

Chair Read noted that this would be the first time that the Board used a consent agenda during its meetings. Consent agenda items are considered to be routine by the Board and will be approved by one motion. An item may be removed from the consent agenda at the request of a regent. Agenda items removed from the consent agenda will be discussed in their normal sequence at the full Board of Regents meeting. Consent agenda items have been discussed separately during committee meetings of the Board of Regents.

RECOMMENDATION: That the following items listed under the Board's Consent Agenda be approved:

1. Executive Committee
 - H-6. Action: 2004 Board Meeting Calendar. The meeting calendar for 2004 includes the following dates: February 19-20, 2004; May 13-14, 2004; August 12-13, 2004; and December 2-3, 2004.
2. Academic Affairs and Curriculum Committee
 - I-1. Action: Ratification of New Credit Certificate Programs. Approval of the consent agenda would result in ratification of the 56 new credit certificate programs listed in the agenda materials.
 - I-3. Action: KCTCS Colleges' Candidates for Credentials. For the period of April 1, 2003, through June 30, 2003, there are 1,731 credential requests, including 867 certificates, 246 diplomas, 190 associate in arts, 58 associate in science, 319 associate in applied science, and 51 associate in applied technology. The candidates for credentials are presented in the booklet entitled *KCTCS Candidates for Credentials April 1, 2003, Through June 30, 2003*.
3. Finance Committee
 - J-1. Action: Ratification of Personnel Actions. The personnel actions presented for ratification were advertised and followed equal opportunity guidelines for nondiscriminatory hiring practices.

MOTION: Ms. Littrell moved that the consent agenda be approved.
Dr. Wise seconded the motion.

VOTE: The motion was approved unanimously.

**EXECUTIVE
COMMITTEE
REPORT**

Executive Committee Vice Chair Bean presented the committee's report to the Board of Regents.

**ACTION: NAME
CHANGE FOR
PRESTONSBURG
COMMUNITY
COLLEGE AND
MAYO
TECHNICAL
COLLEGE**

RECOMMENDATION: That the KCTCS Board of Regents approve the request of Dr. George Edwards, Prestonsburg Community College President and Big Sandy Community and Technical College District CEO, to rename the college resulting from the pursuit of single accreditation (SACS) and consolidation of Prestonsburg Community College and Mayo Technical College the "Big Sandy Community and Technical College."

Mr. Bean reported that the KCTCS Naming Advisory Committee recommends approval of the proposed name. It was noted that Ms. Jean Hale, Prestonsburg Community College Board of Directors Chair, participated via telephone in the Executive Committee's discussion of the proposed name change. Dr. Edwards and Mr. Bobby McCool (Vice President of Institutional Services), who were present at the committee's meeting, also participated in the committee's discussion. The three college representatives provided additional insight into the naming request and outlined the process followed by the colleges to arrive at "Big Sandy Community and Technical College." It was noted that each campus of the singly accredited, consolidated college would retain its current name. If approved, the new name, "Big Sandy Community and Technical College," would be effective immediately.

MOTION: On behalf of the Executive Committee, Mr. Bean moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

**ACTION:
REVISED
MISSION
STATEMENT FOR
BIG SANDY
COMMUNITY AND
TECHNICAL
COLLEGE**

RECOMMENDATION: That the KCTCS Board of Regents approve a revised mission statement for Big Sandy Community and Technical College contingent upon the Board's approval of the name change of the college.

Mr. Bean reported that the proposed mission statement responds to a Commission on Colleges of the Southern Association of Colleges and Schools (SACS) requirement that a consolidated comprehensive community and technical college have a revised mission statement that accurately describes the institution and its characteristics. The revised mission statement also includes the consolidated college's new name.

MOTION: On behalf of the Executive Committee, Mr. Bean moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

**ACTION: NAME
CHANGE FOR
HAZARD
COMMUNITY
COLLEGE**

RECOMMENDATION: That the KCTCS Board of Regents approve the request of Dr. Jay Box, Hazard Community College President/CEO, to rename the college resulting from the single accreditation (SACS) and consolidation of Hazard Community College and Hazard Technical College the "Hazard Community and Technical College."

Mr. Bean noted that the KCTCS Naming Advisory Committee recommends approval of the proposed name. It was noted that the faculty, staff, and students, and community leaders support the proposed name of Hazard Community and Technical College. If approved, the new name would be effective immediately.

MOTION: On behalf of the Executive Committee, Mr. Bean moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

**ACTION:
REVISED
MISSION
STATEMENT FOR
HAZARD
COMMUNITY AND
TECHNICAL
COLLEGE**

RECOMMENDATION: That the KCTCS Board of Regents approve a revised mission statement for Hazard Community and Technical College contingent upon the Board's approval of the name change of the college.

Mr. Bean reported that on August 7, 2003, the college's local board of directors approved the revised mission statement. It responds to a SACS requirement that a consolidated comprehensive community and technical college have a revised mission statement that accurately describes the institution and its characteristics. The revised mission statement also includes the consolidated college's new name.

MOTION: On behalf of the Executive Committee, Mr. Bean moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

**ACTION:
REVISION TO
KCTCS BOARD
OF REGENTS
RETIREMENT
PLAN POLICIES
3.7**

RECOMMENDATION: That the KCTCS Board of Regents approve the revised *KCTCS Board of Regents Retirement Plan Policies 3.7*.

Mr. Bean noted that the proposed revision of *KCTCS Board of Regents Retirement Plan Policies 3.7* would allow employees participating in a KCTCS 403(b) matching plan to use their retirement account as collateral on a loan, if permitted by their 403(b) carrier. This item was presented as an information item at the May 16, 2003, Board of Regents meeting.

MOTION: On behalf of the Executive Committee, Mr. Bean moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

**INFORMATION:
PROPOSED
REVISION TO
KCTCS BOARD OF
REGENTS BYLAWS**

Mr. Bean reported that the proposed revision to the *KCTCS Board of Regents Bylaws* would update the bylaws in regard to recent legislation enacted (House Bill 223) by the 2003 General Assembly, which authorizes the KCTCS Board of Regents to:

- Designate each college with a name.
- Encourage and accept donations of land and funds to be used in the acquisition, construction, or operations of colleges in the System.
- Commemorate donations from private persons or corporations with suitable memorials.
- Accept federal grants, when deemed appropriate, to be used in the acquisition, construction, or operations of colleges in the System.

This item will be presented as an action item at the December 5, 2003, Board of Regents meeting.

**INFORMATION:
PROPOSED
REVISION TO
KCTCS BOARD OF
REGENTS
ADMINISTRATIVE
STRUCTURE OF
THE KENTUCKY
COMMUNITY AND
TECHNICAL
COLLEGE SYSTEM
POLICY 1.5**

Mr. Bean reported that the proposed revision of the *KCTCS Board of Regents Administrative Structure of the Kentucky Community and Technical College System Policy 1.5* would update the policy in regard to recent legislation enacted (House Bill 223) by the 2003 General Assembly. If approved, the revisions would eliminate “tie-backs” to the University of Kentucky, integrate and streamline the policy as a KCTCS policy, and comply with SACS criteria.

This item will be presented as an action item at the December 5, 2003, Board of Regents meeting.

**UPDATE: 2004
REGULAR
LEGISLATIVE
SESSION**

Mr. Bean reported that the committee received an update from President McCall and KCTCS Vice President Timothy Burcham regarding the 2004 KCTCS Legislative Agenda. The update included an overview of the objectives for the 2004 Legislative Session, which encompass creating and maintaining trust and credibility with the General Assembly; engaging systemwide participation; supporting the *KCTCS Vision*, *KCTCS Mission*, and *KCTCS Strategic Plan*; and coordinating legislative efforts with the Council on Postsecondary Education. A proposed legislative agenda will be presented to the Board of Regents for action via the Executive Committee at the December 4-5, 2003, Board of Regents meetings.

It was noted that during the legislative session, the Executive Committee would represent the Board of Regents on urgent legislative matters. The *KCTCS Board of Regents Bylaws Section 10.2.3* states that “the Executive Committee shall be responsible for all matters related to the overall administration of KCTCS. Specifically, the Executive Committee shall advise KCTCS and recommend action on policies related to creating and maintaining the highest level of quality, public accountability, and institutional effectiveness at KCTCS colleges as it pertains to ... legislative issues....”

**ADDITION TO THE
AGENDA:
KCTCS BOARD
OF REGENTS
EXPENSE
POLICIES**

Mr. Bean noted that Chair Read indicated to the Executive Committee that President McCall would like further clarification regarding the Board's expense policies. In that regard, Chair Read requested that Mr. Bean oversee the review of Board expense policies and bring a report on the expense policies to the December meeting.

**ACADEMIC
AFFAIRS AND
CURRICULUM
COMMITTEE
REPORT**

Chair Read noted that Dr. Wise would be chairing the Academic Affairs and Curriculum Committee. Dr. Wise presented the committee's report to the Board of Regents.

**ACTION: NEW
PROGRAM
PROPOSALS –
AAS IN
RADIOGRAPHY,
ASHLAND
COMMUNITY AND
TECHNICAL
COLLEGE**

RECOMMENDATION: That the Board of Regents approve an Associate in Applied Science in Radiography for Ashland Community and Technical College to be implemented in fall 2003.

Dr. Wise reported that the proposed radiography program results from the partnership between King's Daughters Medical Center (KDMC) and Ashland Community and Technical College. The proposed program would provide an additional educational credential for students in the established KDMC diploma-level radiography program. Ashland Community and Technical College would provide the general education courses required for completion of KCTCS radiography programs, and KDMC would deliver the technical component that would fully articulate to Ashland Community and Technical College. A memorandum of agreement with Morehead State University and KCTCS is already in place to offer program participants the opportunity to work toward a bachelor's degree if they choose to further their education.

According to the *1997-2002 Kentucky Plan for Equal Opportunities in Postsecondary Education*, Ashland Community and Technical College has automatic eligibility to offer programs. Additional funding is not required for implementation.

MOTION: On behalf of the Academic Affairs and Curriculum Committee, Dr. Wise moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

**INFORMATION:
REVISION TO
KCTCS BOARD
OF REGENTS
COLLABORATIVE
PROGRAM
DEVELOPMENT
POLICY 4.12**

Dr. Wise noted that the proposed revision would update the policy to show current Council on Postsecondary Education definitions of types of collaborations, update the AAS program description reflecting KCTCS integrated curricula, and eliminate the AAT degree as a result of the conversion of AAT programs to AAS programs. The AAT degree was originally instituted in order to facilitate associate degrees with a minimum of 15 semester credit hours of general education in either an Option A: Not for Transfer or an Option B: For Transfer.

The revision also responds to a Council on Occupational Education (COE) recommendation and to SACS recommendations.

**UPDATE:
CLARIFICATION
OF PROGRAM
APPROVAL
PROCEDURES**

Dr. Wise noted that as curriculum committees work to create multiple exit points within existing programs, new certificate and diploma credentials often result. The current administrative “rollover” process permits colleges to “trade in” an existing curriculum for the newly revised curriculum. Procedures require that when KCTCS Board of Regents-approved certificate and/or diploma programs are revised through the curriculum revision process in a manner that divides an existing program credential into two or more separate credentials, they are incorporated into the “rollover” process and prepared for approval by the KCTCS President and KCTCS Board of Regents ratification.

**UPDATE:
ACCREDITATION
VISITS**

Dr. Wise noted that information was provided on the May 21-23, 2003, SACS visiting team accreditation visit at Prestonsburg Community College and Mayo Technical College. The colleges’ consolidation substantive change request was the focus of the visit. Information also was provided regarding visits scheduled in fall 2003 for colleges in the Ashland (August 25-27, 2003) and West Kentucky (September 3-5, 2003) districts. Their respective consolidation substantive change requests will be the focus of the visits.

**UPDATE:
CREDENTIALING
AND
CERTIFICATION /
NATIONAL
RETENTION
DATA**

Dr. Wise noted that the committee received a report on credentialing and certification and national retention data. The committee reviewed ongoing work regarding credentialing and certification, including a white paper from a colloquium hosted by the National Council for Continuing Education and Training (NCCET). Also reviewed were national retention data from a League of Innovations retention status report provided by Community College Survey of Student Engagement (CCSSE) research sources.

**UPDATE:
STATUS OF
TRANSFER**

Dr. Wise reported that the committee received an update on transfers based on available Council on Postsecondary Education and KCTCS data. Data presented included the following:

- Number of community and technical college transfers (for 2002, there were 2,409 transfers from KCTCS colleges and LCC, which met the CPE goal of 2,408).
- Number of KCTCS colleges transferring to Kentucky public universities.
- Total credits transferred from KCTCS to Kentucky public universities (for 2002, there were 85,316 credits transferred).
- Fall 1997 to Fall 2001 KCTCS Transfer Student Cohort Study.
- Students completing general education requirements or transfer frameworks (in fall 2000, there were 813 students completing general education courses and 417 in fall 2001).

The current status of transfer as discussed July 14, 2003, by the Council of Chief Academic Officers was also discussed.

RECESS

The Board of Regents recessed at 12:15 p.m. (CT) and reconvened at 12:55 p.m. (CT).

**FINANCE,
TECHNOLOGY,
AND HUMAN
RESOURCES
COMMITTEE
REPORT**

Chair Read noted that Mr. Beasley would be chairing the Finance, Technology, and Human Resources Committee. Mr. Beasley presented the committee's report to the Board of Regents.

**ACTION:
APPROVAL OF
2004-05 SALARY
SCHEDULES FOR
FACULTY AND
STAFF**

RECOMMENDATION: That the KCTCS Board of Regents adopt new salary schedules, which include salary ranges for four classification bands for faculty and 18 classification bands for staff. Funding for the salary schedules must be approved annually by the Board of Regents.

Mr. Beasley reported that this item was postponed indefinitely by the committee.

**ACTION: 2004-06
BIENNIAL
BUDGET
REQUEST**

RECOMMENDATION: That the KCTCS Board of Regents approve the following 2004-06 biennial budget requests:

	<u>2004-05</u>	<u>2005-06</u>
A. Capital Budget Request	\$404,745,000	\$-0-
<i>(Detailed in the supplemental document, 2004-06 Biennial Capital Budget Request)</i>		
B. Special Initiative Requests		
1) KCTCS Compensation Plan	\$5,100,000	\$5,253,000
2) Remedial/Developmental Programs	2,000,000	2,100,000
3) Homeland Security	1,200,000	1,300,000
4) Center of Excellence in Automotive Manufacturing	500,000	600,000
Total	\$8,800,000	\$9,253,000
C. Fire Commission Biennial Budget Request	\$1,000,000	\$1,000,000

Mr. Beasley reported that the Board has the responsibility to present the KCTCS biennial operating and capital budget request to the Council on Postsecondary Education, based on guidelines developed by CPE. Biennial budget requests are due to CPE by September 1, 2003. The college presidents were actively involved in the development of this agenda item. The proposed 2004-06 biennial budget recommendation includes the biennial capital budget request (derived from the *2004-2010 Six-Year Capital Plan*), four special initiative requests (derived from the strategic needs analysis completed by each of the colleges), and the biennial budget request from the Fire Commission.

MOTION: On behalf of the Finance, Technology, and Human Resources Committee, Mr. Beasley moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

**ACTION:
ESTIMATED
2004-06 TUITION
RATE RANGES**

RECOMMENDATION: That the Board of Regents approve the following estimated tuition ranges for all KCTCS colleges:

- For the first year of the biennium, 2004-05, the rate per credit hour for Kentucky residents is estimated to be \$81 to \$87, an increase of approximately 3 percent to 10 percent above the 2003-04 rate (\$79 per credit hour).
- For the second year of the biennium, 2005-06, the estimated rate increase is approximately 3 percent to 10 percent over the 2004-05 rate.
- For out-of-state students from contiguous counties, the rates are 1.2 times the resident rates. Rates for other out-of-state students are three times the resident rates.

Note: Estimated ranges for both years are contingent on state appropriation increases provided to KCTCS through the Council on Postsecondary Education (CPE) benchmark funding process.

Mr. Beasley reported that Council on Postsecondary Education biennial budget development guidelines require KCTCS and each university to indicate planned tuition rates for each year of the 2004-06 biennium. The proposed estimated rate ranges for each year are based on preliminary analysis of benchmark state tuition rates and are contingent upon state appropriation increases provided through the CPE benchmark funding process. Actual KCTCS tuition rates for each year of the biennium will be established by the Board in spring 2004 (for 2004-05) and in spring 2005 (for 2005-06).

MOTION: On behalf of the Finance, Technology, and Human Resources Committee, Mr. Beasley moved that the recommendation, including the note, be approved.

VOTE: The motion was approved unanimously.

**ADDITION TO
THE AGENDA:
RESOLUTION
AUTHORIZING
THE CALL OF
CERTAIN BOND
ISSUES**

RECOMMENDATION: That the Board of Regents approve the attached *Resolution Pertaining to Direction, Acknowledgement, and Consent Authorizing Call of Certain Bond Issues* (see Attachment G) that directs the University of Kentucky to call certain educational building revenue bonds prior to maturity and that the Board of Regents acknowledge and consent that such bonds shall be redeemed and refinanced by the State Property and Buildings Commission.

Mr. Beasley noted that information related to the agenda item was mailed to the Board on August 6, 2003. The resolution was requested by the State Property and Buildings Commission and the Finance and Administration Cabinet of the Commonwealth of Kentucky. The two agencies determined that the Commonwealth of Kentucky would reduce its annual debt service

costs by refinancing certain bonds initially issued by the University of Kentucky for buildings now under the jurisdiction of KCTCS. Approval of the resolution would result in no fiscal impact for KCTCS.

MOTION: On behalf of the Finance, Technology, and Human Resources Committee, Mr. Beasley moved that the recommendation be approved.

VOTE: The motion was approved unanimously.

**UPDATE:
KCTCS
QUARTERLY
FINANCIAL
REPORT**

Mr. Beasley asked President McCall to provide additional information. President McCall noted that the financial statements are unaudited statements depicting activity through the fourth quarter of fiscal year 2002-03 that ended June 30, 2003. Audited financial statements will be presented at the December 2003 meeting.

**UPDATE:
KCTCS
FOUNDATION,
INC.**

Mr. Beasley reported that the committee received an update on foundation activities, including the upcoming annual meeting and the *Fulfilling the Promise* major gifts campaign.

**UPDATE:
INFORMATION
TECHNOLOGY**

Mr. Beasley reported that the committee received an update on information technology initiatives, including implementation of PeopleSoft 8, enhancement of the community and economic development feature of PeopleSoft, the new KCTCS Network, implementation of Voice Over Internet Protocol (VOIP), video conferencing upgrades, security issues, consolidation of email, and the KCTCS Internet Portal. KCTCS Vice President Jon Hesseldenz provided an update on security issues, including the most recent worm virus attack. It was noted that more resources likely would need to be devoted to security issues in the future.

**EXECUTIVE
SESSION**

MOTION: Dr. Wise moved that the Board go into Executive Session pursuant to KRS 61.810 (1) (f), "Individual Personnel Matters." Ms. Fiorella seconded the motion.

VOTE: The motion was approved unanimously, and the Committee went into Executive Session at 1:08 p.m. (CT).

OPEN SESSION

The Committee reconvened in open session at 2:37 p.m. (CT).

Chair Read announced that the Board discussed individual personnel matters and that there was one action to bring before the Board as a result of the closed session.

MOTION: Mr. Bean moved that effective July 1, 2003, the salary of the KCTCS President will be \$261,500. Additionally, the President of the KCTCS System will be eligible for up to a 20 percent performance bonus January 1 of each year. Said bonus will be based upon the President's meeting of the goals of the Board of Regents through their [its] approval annually of the System goals.

Additionally, retirement health insurance shall be available to the President so long as the following three conditions are met:

1. Retirement in good standing with at least five (5) years of service as President of KCTCS.
2. At least 15 years of total service in postsecondary education, which service may include service in another postsecondary education institution or state-level postsecondary education board or agency in Kentucky or another state.
3. Age plus years of service in postsecondary education as defined above must be at least 75.

Mr. Beasley seconded the motion.

VOTE: The motion was approved unanimously. Ms. Fiorella, Dr. Hanel, Ms. Logsdon, and Mr. Powell did not vote because the *KCTCS Board of Regents Bylaws* prohibit faculty and staff representatives from voting on issues related to individual compensation matters.

President McCall thanked the Board for its generosity.

**NEXT
REGULAR
MEETING**

Chair Read announced that the next regular Board of Regents meeting would be December 5, 2003, at Central Kentucky Technical College, Lexington, Kentucky.

ADJOURNMENT

MOTION: Ms. Littrell moved that the Board of Regents adjourn. Mr. Robinson seconded the motion.

VOTE: The motion passed unanimously, and the meeting adjourned at 2:40 p.m. (CT).

12/5/03

Date Approved by the
KCTCS Board of Regents

SIGNED ON FILE

Cynthia L. Read, Chair
KCTCS Board of Regents

SIGNED ON FILE

Joseph B. Wise, III, Secretary
KCTCS Board of Regents

SIGNED ON FILE

Michael B. McCall, Ed.D.
KCTCS President

KCTCS Board of Regents Meeting Guests – August 15, 2003

President's Cabinet

Dr. Michael B. McCall, President
Dr. Keith W. Bird
Mr. Timothy R. Burcham
Dr. Candace S. Gosnell
Hon. Beverly H. Haverstock
Ms. Beth R. Hilliard
Dr. Jon S. Hesselden
Mr. J. Kenneth Walker

System Office Staff

Mr. Bryan Armstrong
Ms. Billie Hardin
Mr. Paul Kelder
Dr. Joan Lucas
Mr. Jim Phillips
Mr. Lewis Prewitt
Ms. Mindy Sahli

Colleges

Big Sandy Community and Technical College

Dr. George Edwards
Mr. Bobby McCool

Hazard Community and Technical College

Dr. Jay Box

Henderson Community College

Dr. Patrick Lake
Ms. Heather McCormick
Ms. Sandy Watkins

Madisonville Community College

Ms. Elizabeth Hames

Owensboro Community and Technical College

Dr. Jacqueline Addington
Mr. Bryant Stiles
Mr. William West

Other Guests

Ms. Judy Jenkins, *Henderson Gleanor*
Mr. Darrin Phegley, *Henderson
Gleanor*
Mr. Charlie Vice, KEA – Frankfort



Resolution Honoring **Mark A. Powell**

W **HEREAS**, the *Kentucky Postsecondary Education Improvement Act of 1997 (The Act)* creates the Kentucky Community and Technical College System as Kentucky's ninth institution of postsecondary education; establishes the KCTCS Board of Regents as the System's governing board; and determines that the KCTCS Board membership be composed of fourteen members, including one selected member representing the technical college non-teaching personnel; and

W **HEREAS**, Mark A. Powell was the first Technical College Staff Regent to serve the KCTCS Board, being elected to that position by his colleagues in 1997 and reelected to a second, three-year term in 2000; and

W **HEREAS**, *Mr. Powell provided guidance in the development of the KCTCS Board and its endeavors to create a comprehensive community and technical college system recognized as the nation's best; and*

W **HEREAS**, Mr. Powell dedicated himself to serving students and the technical college non-teaching personnel through his service and leadership in such capacities as chair of the former KCTCS Board of Regents Finance, Administration, and Technology Committee, providing input on policies that create and maintain the highest level of quality and public accountability and institutional effectiveness pertaining to finance, facilities, construction, human resources, and

W **HEREAS**, Mr. Powell executed his responsibilities as Technical College Staff Regent by updating the KCTCS Board on feedback received from students and non-teaching personnel as well as making decisions for the long-term good of the System; and

W **HEREAS**, Mr. Powell demonstrated commitment to excellence through his advocacy and service to the KCTCS Board of Regents, the Kentucky Community and Technical College System, and the entire postsecondary education community; and

W **HEREAS**, the Kentucky Community and Technical College System Board of Regents wishes to express its heartfelt regret as Mr. Powell leaves the KCTCS Board of Regents as well as its appreciation for his service;

N **OW, THEREFORE, BE IT RESOLVED** that the Kentucky Community and Technical College System Board of Regents hereby commends Mark A. Powell for his enthusiasm, talents, dedication, leadership, and time spent supporting and developing the Kentucky Community and Technical College System, extends its best wishes for continued success to Mr. Powell, and looks forward to his continued friendship and support of KCTCS.

SO RESOLVED this fifteenth day of August 2003.

ATTEST:

Chair, Board of Regents

Secretary, Board of Regents

President



Resolution Honoring ***Penelope S. Logsdon***

W ***HEREAS***, the *Kentucky Postsecondary Education Improvement Act of 1997 (The Act)* creates the Kentucky Community and Technical College System as Kentucky's ninth institution of postsecondary education; establishes the KCTCS Board of Regents as the System's governing board; and determines that the KCTCS Board membership be composed of fourteen members, including one selected member representing the technical college faculty; and

W ***HEREAS***, Penelope S. Logsdon was the second Technical College Faculty Regent to serve the KCTCS Board, being elected by her colleagues to a three-year term that began October 13, 2000; and

W ***HEREAS***, *Ms. Logsdon played an important role in KCTCS Board endeavors to create a comprehensive community and technical college system recognized as the nation's best; and*

W ***HEREAS***, Ms. Logsdon demonstrated dedication and leadership through her service as vice chair of the KCTCS Board of Regents Academic Affairs and Curriculum Committee and advising the KCTCS Board on policy related to educational and training programs; student services; and the development of new degree, diploma, and certificate programs; and

W ***HEREAS***, Ms. Logsdon represented and served students and technical college faculty by faithfully executing her responsibilities as Technical College Faculty Regent, including providing the KCTCS Board with information she received from students and faculty and contributing her voice and vote in making decisions for the long-term good of the System; and

W ***HEREAS***, Ms. Logsdon demonstrated commitment to excellence through her advocacy and service to the Commonwealth, the KCTCS Board of Regents, and the Kentucky Community and Technical College System; and

W ***HEREAS***, the Kentucky Community and Technical College System Board of Regents wishes to express its heartfelt regret as Ms. Logsdon leaves the KCTCS Board of Regents as well as its appreciation for her service;

N ***OW, THEREFORE, BE IT RESOLVED*** that the Kentucky Community and Technical College System Board of Regents hereby commends Penelope S. Logsdon for her enthusiasm, talents, dedication, leadership, and time spent supporting and developing the Kentucky Community and Technical College System, extends its best wishes for continued success to Ms. Logsdon, and looks forward to her continued friendship and support of KCTCS.

SO RESOLVED this fifteenth day of August 2003.

ATTEST:

Chair, Board of Regents

Secretary, Board of Regents

President



Resolution Honoring **John “Jack” F. Hanel, Ph.D.**

- W** **HEREAS**, the *Kentucky Postsecondary Education Improvement Act of 1997 (The Act)* creates the Kentucky Community and Technical College System as Kentucky’s ninth institution of postsecondary education; establishes the KCTCS Board of Regents as the System’s governing board; and determines that the KCTCS Board membership be composed of fourteen members, including one selected member representing the community college faculty; and
- W** **HEREAS**, John F. Hanel, Ph.D., was the first Community College Faculty Regent to serve the KCTCS Board, being elected to that position by his colleagues in September 1997 and reelected to a second, three-year term in May 2000; and
- W** **HEREAS**, *Dr. Hanel played a leading role in the development of the KCTCS Board and its endeavors to create a comprehensive community and technical college system recognized as the nation’s best; and*
- W** **HEREAS**, Dr. Hanel served on the KCTCS Board of Regents Ad Hoc Committee on Personnel and played an integral role in the development of KCTCS personnel policies that attract and maintain quality employees; and
- W** **HEREAS**, Dr. Hanel demonstrated dedication, ability, leadership, and willingness to serve the Kentucky Community and Technical College System, especially its students and the community college faculty, by serving on various KCTCS Board of Regents committees, including the Executive Committee and the Academic Affairs and Curriculum Committee; and
- W** **HEREAS**, Dr. Hanel was appointed as the first chair of the Academic Affairs and Curriculum Committee on November 24, 1997, and was reappointed to that position each year since; and
- W** **HEREAS**, Dr. Hanel demonstrated commitment to excellence through his advocacy and service to the Commonwealth, the KCTCS Board of Regents, and the Kentucky Community and Technical College System; and
- W** **HEREAS**, Dr. Hanel strived to create and maintain the highest level of quality public accountability and has faithfully advised the KCTCS Board on policies related to academic and technical program offerings, inter-institutional collaboration, workforce development, student services, transfer issues, institutional accreditation, professional or specialized accreditation, and institutional effectiveness with respect to *The Kentucky Plan for Equal Opportunities*; and
- W** **HEREAS**, Dr. Hanel was instrumental in the November 2000 Council on Postsecondary Education decision to reaffirm the delegation of program approval authority to the KCTCS Board of Regents for all new certificate, diploma, and associate degree programs offered by KCTCS community and technical colleges; and
- W** **HEREAS**, the Kentucky Community and Technical College System Board of Regents wishes to express its heartfelt regret as Dr. Hanel leaves the KCTCS Board of Regents as well as its appreciation for his service;
- N** **OW, THEREFORE, BE IT RESOLVED** that the Kentucky Community and Technical College System Board of Regents hereby commends John F. Hanel, Ph.D., for his enthusiasm, talents, dedication, leadership, and time spent supporting and developing the Kentucky Community and Technical College System, extends its best wishes for continued success to Dr. Hanel, and looks forward to his continued friendship and support of KCTCS.

SO RESOLVED this fifteenth day of August 2003.

ATTEST:

Secretary, Board of Regents

Chair, Board of Regents

President



Resolution Honoring **Cynthia E. Fiorella**

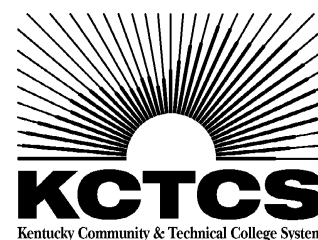
- W** **HEREAS**, the *Kentucky Postsecondary Education Improvement Act of 1997 (The Act)* creates the Kentucky Community and Technical College System as Kentucky's ninth institution of postsecondary education; establishes the KCTCS Board of Regents as the System's governing board; and determines that the KCTCS Board membership be composed of fourteen members, including one selected member representing the community college non-teaching personnel; and
- W** **HEREAS**, Cynthia E. Fiorella was the first Community College Staff Regent to serve the KCTCS Board, being elected to that position by her colleagues in 1997 and reelected to a second, three-year term in 2000; and
- W** **HEREAS**, Ms. Fiorella provided significant input into the development of the KCTCS Board and its endeavors to create a comprehensive community and technical college system recognized as the nation's best; and
- W** **HEREAS**, *Ms. Fiorella was a member of the KCTCS Presidential Search Committee and was instrumental in the Board's hiring of the inaugural KCTCS President; and*
- W** **HEREAS**, *Ms. Fiorella served on the KCTCS Board of Regents Ad Hoc Committee on Personnel and was instrumental in the development of KCTCS personnel policies that attract and maintain quality employees; and*
- W** **HEREAS**, Ms. Fiorella was a dedicated member of the KCTCS Board of Regents Efficiency, Effectiveness, and Accountability Committee, where she played a vital role in the establishment of policies related to creating and maintaining the highest level of quality, public accountability, and institutional effectiveness at KCTCS colleges; and
- W** **HEREAS**, Ms. Fiorella served faithfully on the KCTCS Board of Regents Finance, Technology, and Human Resources Committee for all six years of her service to the Board, passionately advocating for students, all KCTCS employees, and business and industry on various issues, including budget development, financial and human resource policies, classification and compensation, and workforce development; and
- W** **HEREAS**, Ms. Fiorella executed her responsibilities as Community College Staff Regent with diligence and honor, including updating the KCTCS Board on feedback she received from students and staff as well as making decisions for the long-term good of the System; and
- W** **HEREAS**, Ms. Fiorella demonstrated commitment to excellence through her advocacy and service to the Commonwealth, the KCTCS Board of Regents, and the Kentucky Community and Technical College System; and
- W** **HEREAS**, the Kentucky Community and Technical College System Board of Regents wishes to express its heartfelt regret as Ms. Fiorella leaves the KCTCS Board of Regents as well as its appreciation for her service;
- N** **OW, THEREFORE, BE IT RESOLVED** that the Kentucky Community and Technical College System Board of Regents hereby commends Cynthia E. Fiorella for her enthusiasm, talents, dedication, leadership, and time spent supporting and developing the Kentucky Community and Technical College System, extends its best wishes for continued success to Ms. Fiorella, and looks forward to her continued friendship and support of KCTCS.

SO RESOLVED this fifteenth day of August 2003.
ATTEST:

Secretary, Board of Regents

Chair, Board of Regents

President



President's Report

Board of Regents Meeting August 15, 2003

Henderson Community College
Henderson, Kentucky

The following information provides updates on the efforts to accomplish the KCTCS GOALS as outlined in the Strategic Plan 2000-2005, July 2002 Edition.

STUDENT ACCESS, SUCCESS, and SERVICES

KCTCS colleges will increase student access and promote student success through responsive, innovative student support programs and services.

Enrollment Management (SAIL) – Learning Resources

The enrollment goal for fall 2003 is 68,448, which is a 3 percent increase over fall 2002. Pre-registration for the fall term has well exceeded last year's numbers. As of April 29, 2003, the pre-registration for fall 2003 is 33,911 - a 43 percent increase over this time last year.

With the implementation of PeopleSoft 8 (a web-based software application package), students will be able to apply to KCTCS colleges online; and colleges will be able to communicate with prospective students via the web.

A presentation entitled "Lessons Learned: The KCTCS Best Practices in Enrollment Management" was presented by KCTCS staff at the North American Enrollment Management Institute held in June 2003, in Vail, Colorado.

Articulation/Dual Credit (SAIL) – Learning Resources

KCTCS' Owensboro's Discover College and the Kentucky Department of Education have agreed to offer dual credit opportunities for 21 advanced placement and technical courses offered online through the Kentucky Virtual High School (KVHS). High school students enrolled in these courses will have the option to receive both college credit and high school credit toward graduation. This dual credit opportunity will provide students with introductory college experiences, accelerated progress toward a college degree, and access to an enriched high school curriculum.



Ad Hoc Team on Scholarships – Final Report (SAIL) – Financial Resources & Learning Resources

The Ad Hoc Team on Scholarships was charged with defining and making recommendations to President Michael B. McCall on the need, type, and process for seeking and awarding scholarships that enhance student access and success through scholarships. The team was comprised of college and System Office representatives and met three times between November 18, 2002, and June 9, 2003. The team's objectives were to identify all sources, amounts, and award criteria of scholarships at system and district levels; to understand the most effective use of scholarships within the total financial aid landscape on a state and federal level; to assure that privately funded scholarships are being used in accordance with the donor's intent; to explore new avenues for seeking scholarships that address the needs of all KCTCS students, full- and part-time, and all credential levels; and to determine the coordination issues and award processes for scholarships at both the system and district levels.

The team made ten recommendations, most of which dealt with issues of coordination, timing, and sequence of scholarship awards. A Scholarship Peer Team will be formed to address these issues.

Coca-Cola Scholarship Awards (SAIL) – Learning Resources & Financial Resources

Three KCTCS students received \$1,000 scholarships through the Coca-Cola Two-Year Colleges Scholarship Program. The program awards a total of 350 scholarships annually to students who attend higher education institutions granting two-year degrees. All recipients are members of Phi Theta Kappa honor society and must demonstrate academic success and perform community service. The KCTCS students receiving the scholarships are: Ronnie Combs, Hazard Community College; Jayleen Oliver, Owensboro Community and Technical College; and Autumn Triplett, Madisonville Community College.

KCTCS – University of Louisville Online Associate to Bachelor Degree Program (SAIL) – Learning Resources

Students interested in law enforcement careers, such as police, corrections, security, and loss prevention, can now earn their undergraduate degrees completely online through a new program offered by KCTCS in partnership with the University of Louisville (U of L). Students will apply to KCTCS for the associate degree program and to U of L to complete the online bachelor's degree. Additionally, students may continue beyond the bachelor's program to the U of L Master of Science in Administration of Justice degree.

West Virginia/Kentucky Online Partnership Agreement (SAIL) – Learning Resources

KCTCS and the West Virginia Higher Education Policy Commission sponsored faculty from each state to participate in an orientation workshop and WebCT training in April and June 2003 for the purpose of designing a joint curriculum for a supervision certificate with two options, manufacturing supervision and supervisory management.

Medicaid Nurse Aide Pilot (SAIL) – Learning Resources & Financial Resources

Central Kentucky Technical College piloted the Medicaid Nurse Aide (MNA) Certification course for 10 students in July. The online MNA offering will be expanded statewide in fall 2003 to include other KCTCS colleges and participating Kentucky Department of Education and

Department of Technical Education high schools. The online project is a result of a \$10,000 Perkins grant from the Cabinet for Workforce Development, Department of Technical Education to develop an online MNA Certification program. This virtual learning project is a partnership among secondary and postsecondary institutions offering courses and programs in the health career field, the Kentucky Virtual High School, the Kentucky Virtual University, and other consulting state agencies.

Go Higher, Education Pays Web Portal (SAIL) – Learning Resources

Representatives from KCTCS, the Council on Postsecondary Education, Kentucky Virtual University, Kentucky Department of Education, Department of Adult Education and Literacy, and Kentucky Higher Education Assistance Authority participated in four statewide kickoff meetings in July 2003. The purpose of the statewide kickoff was to create awareness among Kentucky colleges and universities about the Go Higher, Education Pays Web Portal. The Go Higher Web Portal system, to be activated in spring 2004, will be an Internet-based, integrated student services system designed to aid prospective students in the college search, selection, and application processes in the state of Kentucky.

Kentucky Manufacturing Skill Standards (KMSS) (SAIL) – Learning Resources

KCTCS has implemented the first online manufacturing skill standards assessment in the nation through a partnership with Reveal Technologies, Associated Industries of Kentucky, Tri-County Economic Development Corporation, and other state partners with a pilot project in the northern Kentucky area. In addition to providing this basic manufacturing skills assessment program online via approved KMSS Assessment Centers, an online practice assessment is also available utilizing a new hand-held computer technology called iRespond. This technology enables onsite, real time assessment, which further enhances the delivery capabilities of KCTCS for the KMSS initiative. Additional information on the KMSS is available at <http://www.kctcs.edu/workforcenetwork/kmss>.

Kentucky Information Technology Center (SAIL) – Learning Resources & Information Resources

From April 2003 to June 2003, the Kentucky Information Technology Center (funded by the National Science Foundation) delivered 29 workshops with a total of 356 people attending. These workshops were in the following subject areas: IT Certificate Training for Department of Employment Services personnel, IT Boot Camp for Community and Economic Development coordinators, Cisco Certified Networking Professional Semester III, Unix, Cisco Certified Networking Associate Semesters I-IV, Windows 2000, A+ Certification, and Cisco Orientation.

PROGRAM QUALITY and EFFECTIVENESS

In response to community needs, KCTCS colleges will expand and develop innovative, high quality programs incorporating the best practices of teaching and learning.

Dual Credit (SAIL) – Learning Resources

KCTCS signed an agreement with the Kentucky Department of Education, Murray State University, Morehead State University, Eastern Kentucky University, and Kentucky State University on July 30, 2003, formalizing a pilot partnership between high schools, community

and technical colleges, and four-year public institutions to offer high school students transferable dual credit foundational education courses.

Corrections Education (SAIL) – Learning Resources & Financial Resources

The KCTCS Correction Education program is a joint venture between the Department of Corrections and KCTCS through a Memorandum of Agreement. The Corrections Education program is composed of 40 occupational/technical faculty offering occupational/technical programs in 16 areas and 38 adult education teachers offering three levels of adult education - literacy, adult basic education, and GED programs. These programs are offered statewide in the Department of Corrections' 12 correctional facilities.

During the 2003 Legislative Session, inmate education funds were reduced by approximately 50 percent with a mandate that the Department of Corrections continue to provide services at the current level. In June 2003, a "Corrections Education Improvement Team" was formed to review the Corrections Education program and determine if improvements could be made to operate the program more efficiently and to present recommendations to the Department of Corrections and KCTCS. Since this review was initiated, the Department of Corrections has secured the necessary funding to continue the program at the same level of services as in 2002 - 2003. However, a significant portion of the funding is non-recurring, requiring new sources of funding to be identified through increased efficiencies and/or legislative action.

2+2 Teacher Prep (SAIL) – Learning Resources & Financial Resources

A Kentucky team, consisting of representatives of the Council on Postsecondary Education, Kentucky Department of Education, Morehead State University, the University of Kentucky, and KCTCS, participated in the Education Commission of the States (ECS) Policy Summit on the Role of Community Colleges in Teacher Preparation. The ECS awarded KCTCS \$20,000 to support this initiative. The KCTCS-led team developed a plan and timeline for implementing the statewide 2+2 teacher preparation program with its embedded paraeducator certificate.

Program Productivity Review (SAIL) – Learning Resources

The KCTCS Program Productivity Review was completed and submitted to the Council on Postsecondary Education (CPE). Of the 19 programs identified by CPE as "low productivity programs," three have been deactivated; 13 were either recently revised or are soon to be revised; and three are to continue in their current form.

PROFESSIONAL and ORGANIZATIONAL DEVELOPMENT

KCTCS colleges will invest in the development of faculty and staff and will support dynamic, unified, healthy, and rewarding campus environments.

Compensation and Classification Study – Phase II Update (SAIL) – Human Resources

The staff classification portion of the classification and compensation study was implemented July 1, 2003. Faculty had previously been assigned to a classification structure composed of four bands. In May 2003, the Board approved an 18 band structure for staff. KCTCS staff were notified in June 2003 of their titles and bands under the new structure. A reconsideration process

was in place during July so that any concerns or issues regarding positions, titles, or bands could be reviewed. Based on the new classification structure, Mercer Human Resources Consulting was asked to develop salary ranges for each band for both faculty and staff. The Board of Regents will consider the salary schedule at the August 2003 meeting.

KCTCS Retirement Information Website (SAIL) – Human Resources

KCTCS has developed a Retirement Information section on the KCTCS website that will provide employees, prospective employees, college human resource directors and payroll officers with timely information about retirement plan options and details, contribution rates, and links to planning tools. This information will help employees plan for retirement or save for their children's education. Sections of the website also provide information on supplemental savings plans, the retirement process, and what employees may do with retirement accounts after separation from service. The web address is: <http://www.kctcs.edu/employee/hr/retirement>

National Institute for Staff and Organizational Development (NISOD) (SAIL) – Human Resources

Twenty-two KCTCS faculty and staff attended the twenty-fifth annual NISOD conference in Austin, Texas, in May 2003. The initiative was funded by the CPE Faculty Development Trust Fund and Perkins funds. All participants were honored by NISOD with the “Award of Excellence.” KCTCS was provided free exhibit space to showcase the Learning College project. Dr. John Roueche, conference chair, held a private book signing reception for the KCTCS participants.

COMMUNITY/ECONOMIC DEVELOPMENT and PARTNERSHIPS

KCTCS colleges will strengthen the economic development of our communities and state by expanding educational opportunities, improving outreach services, and creating new partnerships.

KY WINS (SAIL) – Learning Resources

To date, KY WINS has completed 32 projects, resulting in the creation of 2,322 new jobs and serving 4,036 individuals through training and assessment. Currently, 39 projects remain active and are estimated to serve over 13,600 participants and create 1,600 new jobs.

Workforce Alliance (SAIL)– Learning Resources & Financial Resources

There are currently 45 KCTCS projects approved for Workforce Alliance (WA) funding, representing a financial commitment of \$697,000. The Kentucky Adult Education Council on Postsecondary Education has agreed to process a contract extension to carry forward the uncommitted and/or unspent portion of the \$900,000 WA commitment through June 30, 2004.

Ford Foundation – (SAIL) - Learning Resources & Financial Resources

KCTCS districts are participating in a series of regional economic development strategic planning meetings hosted by the Kentucky Workforce Investment Board (KWIB). The college presidents and/or their district representatives will work to integrate the ten Workforce

Investment Board's (WIB) regional plans and strategies with the Ford Foundation Bridges to Opportunity sponsored career pathways initiative.

International Partnerships (SAIL) – Learning Resources

Five KCTCS faculty received scholarship awards to pursue research at Regents Park in Oxford, England. In June 2003, faculty spent two weeks pursuing academic research in the areas of health care, history, art, and Pan-African perspectives. The faculty, selected through a written application process, represented three different KCTCS districts. Funds were provided by the Council on Postsecondary Education.

One-Stop Training (SAIL) – Learning Resources

In June 2003, KCTCS delivered training to 95 Workforce Development Cabinet One-Stop personnel. The training was titled "Building Collaborative Partnerships with Business" and was developed in conjunction with the Labor Cabinet's new focus on building business relationships. Training was held in six KCTCS districts across the state: Ashland, Bluegrass, Madisonville, West Kentucky, Somerset, and Henderson.

RESOURCE DEVELOPMENT

KCTCS will seek additional fiscal, physical, and information technology resources and will use all resources effectively and efficiently to serve students.

Gateway Boone County Groundbreaking (SAIL) – Financial Resources & Learning Resources

President McCall and Dr. G. Edward Hughes, President of Gateway Community and Technical College, joined other college and community representatives on June 11, 2003, to break ground at Gateway's newest campus located on 41 acres in Boone County. The 31,000 square foot facility will be the initial building of a projected 400,000 square foot campus complex. The 2000 General Assembly appropriated \$10 million for the project. The first building on this campus will house the college's Business and Industry Services Division and other technical programs and is expected to open in August 2004. The entire Boone Campus is expected to accommodate approximately 5,000 students enrolled in transfer and technical education programs in the future.

Southeast Whitesburg Campus – Belinda Mason Academic Technical Building Groundbreaking (SAIL) – Financial Resources & Learning Resources

President McCall and Dr. W. Bruce Ayers, President of Southeast Community College, joined Governor Patton and other college and community representatives on July 16, 2003, to break ground for this 23,120 square-foot, \$5 million project. The facility will house radiography, physical therapy assisting, computer science, and information technology programs. Additionally, the building will provide space for a teaching auditorium, a suite for community and economic development, instructional television laboratories, and faculty/staff offices.

Toyota Motor Manufacturing of Kentucky (TMMK) Donation (SAIL) – Financial Resources & Learning Resources

Seven KCTCS colleges will benefit from donations of automobiles by TMMK for automotive technology programs. The colleges receiving the automobiles include Rowan, Central Kentucky,

Somerset, Hazard, Bowling Green, Owensboro, and Elizabethtown. The vehicles were built during trial phases for new models and have been used for transportation at the Georgetown Toyota plant.

Major Gifts Campaign Update (SAIL) – Financial Resources

KCTCS continues to implement its Plan of Campaign for system-level, statewide initiatives. The System Office internal campaign concluded in May with 100 percent participation from the Board Division. President Michael McCall has conducted 31 one-on-one executive awareness sessions with state leaders and will conduct 10 to 15 more over the next several weeks. Leadership awareness sessions will begin soon. Executive and leadership awareness sessions are designed to increase awareness, cultivate friendships, determine the needs of the prospects, and to obtain advice that will enable KCTCS to launch the external phase of the major gifts campaign.

Bowling Green, Hopkinsville, and Owensboro districts completed their employee campaigns this spring. Bowling Green concluded their board campaign with 100 percent participation. Hopkinsville and Owensboro board campaigns are in progress. Madisonville is currently conducting their internal campaign. Henderson and Maysville have scheduled internal campaigns for this fall. CEOs of these districts are continuing to conduct executive awareness sessions as appropriate. Owensboro, Hopkinsville, and Bowling Green have begun their leadership awareness sessions.

Ashland, Big Sandy, Jefferson, Somerset, and Southeast districts completed their feasibility studies this spring. Findings have been presented for all with Somerset and Jefferson presentations made the week of July 21. A campaign objective of \$4-5 million was recommended for Somerset and \$10-\$12 million for Jefferson. Clements Group consultants begin monthly visits with these colleges in August to assist with the development of a plan of campaign and implementation.

Meridian Communications is producing campaign materials for the KCTCS Major Gifts Campaign as well as for districts that are in campaign. Campaign videos have been completed for KCTCS, Bowling Green, Hopkinsville, and Owensboro. Printed materials will be available soon.

SCANS Project (SAIL) – Financial Resources & Learning Resources

The National Science Foundation (NSF) funded KCTCS SCANS (The Secretary's Commission on Achieving Necessary Skills) grant, "Adapting and Implementing NSF/Advanced Technology Education Materials in Kentucky," has been awarded a one-year, no-cost extension from NSF to enhance the Career Transcript System (CTS) to include an e-portfolio component. The expansion of the grant will serve to create the basis for a statewide system and a national demonstration model. To facilitate the expansion of the project, KCTCS will assume the management of CTS while maintaining a collaborative association with its developer, the SCANS 2000 project team of Johns Hopkins University.

Information Technology Update - (SAIL) – Information Resources

On July 8, 2003, the conversion of Peoplesoft 7.56 to PeopleSoft 8.0, the web-based enhancement to the KCTCS Student, Human Resources, and Contributor Relations systems was

completed, using only the KCTCS development staff and regular staff of our application service provider, Crestone International. This new software will provide web-based student registration; student, faculty, and staff self-service features (students: schedules, billing and payment history, on-line address changes; employees: pay statement, benefits lookup and verification; donors: donation history lookup); increased security; intuitive navigation with a web-browser; email-based communication; and direct access to much more information than has been previously available.

The Financials modules of the PeopleSoft Enterprise software are in a different stage of development from the student, human resources, and contributor relations modules. KCTCS elected to wait for the 8.8 version of the Financials software before converting to the web-based product. Version 8.8 is scheduled for a November release, and conversion will commence shortly thereafter.

Accompanying the implementation of PeopleSoft 8.0, Community Economic Development staff at all colleges will begin use of a new enhancement to the KCTCS Student System that aids management of non-credit programs and simplifies entry of these programs and events. This enhancement will aid colleges in managing their non-credit programs in a consistent way and will provide a central repository of information about such programs accessible from all KCTCS locations.

The Kentucky Postsecondary Education Network (KPEN) is nearing reality. The procurement process is nearly complete. Sealed bids were received from 10 vendors on August 13, 2003, and are being reviewed. As in other complex procurements, a negotiated bid process is being used in which three vendors are selected for negotiations and one is finally selected for implementation. It is anticipated that the process will be completed in September 2003 and building the network will be completed early in 2004.

In communications technology, Voice Over Internet Protocol (VOIP) telephone systems have been implemented at all locations of Gateway Community and Technical College and Owensboro Community and Technical College. VOIP will provide single telephone number access for all locations of a college, five digit dialing systemwide, and free long distance among all KCTCS locations. Other VOIP projects are underway at West Kentucky Community and Technical College, Hazard Community College, and the KCTCS System Office. Plans are underway to provide the service to Ashland Community and Technical College and the Maysville, Blue grass, Bowling Green, and Jefferson districts. These should be in operation during the 2003-04 fiscal year. Surveys have been scheduled for Henderson Community College and Southeast Community College. All other colleges/districts will be added during the 2004-05 fiscal year.

A new information technology initiative to supply low-cost, high quality H323 video to all colleges to extend educational offerings and to enhance long distance conference capabilities is in its early stages. The use of H323 video is dependent upon the existence of a managed network in which priority can be given to specified signals over the Internet and, thus, ensure quality of image and sound. Therefore, systemwide use of H323 video will be implemented when KPEN has been fully established. However, it is in use in local applications where internal networks allow, notably Jefferson and Southeast. Plans are to have at least one such facility operating in

each district and multiple facilities for certain high impact programs by the end of this fiscal year.

Strategic Committee on Postsecondary Education (SCOPE) (SAIL) – Financial Resources

SCOPE held a meeting on June 2, 2003, to begin the review of issues related to the 2004-06 Biennial Budget process. The next meeting of SCOPE is scheduled for September 8, 2003.

Capital Planning and Advisory Committee (CPAB) (SAIL) – Financial Resources

As part of the 2004-06 Biennial Budget process, KCTCS and the public universities provided testimony regarding postsecondary education space and facility needs for the next six years to the CPAB at its August 1, 2003, meeting.

Project Versailles (SAIL) – Financial Resources

Work is progressing toward moving the System Office to the Versailles location. Some recent and upcoming developments that are advancing the project toward expected occupancy by September 2004 are as follows:

- EOP Architects has worked with Cabinet members to design areas for each division within the former Texas Instruments (TI) facility.
- Drawings have been turned over to CG Concepts, which will design our existing equipment within the office spaces and develop workstations, conference rooms, training rooms, reception areas, commons spaces, and other sections of the building. That work should be completed by early August 2003.
- The exterior of the building is being designed by EOP Architects with the assistance of McIlwain Landscaping Architects.
- On July 17, the TI-KCTCS Public Properties Corporation awarded a contract for demolition of interior walls, old mechanical and electrical systems, and exterior landscaping. The contractor for that process is Denham-Blythe Co., Lexington. The work will prepare the site for the renovation general contractor, who will be hired September 2003.

At the KCTCS fifth birthday celebration on July 18, designs were unveiled to System Office staff.

UNIFIED SYSTEM of COLLEGES and PUBLIC RECOGNITION

KCTCS will be a unified system of comprehensive community and technical colleges, recognized as a state and national leader in postsecondary education.

KCTCS Fifth Anniversary

KCTCS held a fifth anniversary party July 18, 2003, at the System Office. July 2003 marked the fifth anniversary of the formal union of the community colleges and technical colleges. The party honored System Office employees for their support of the development of KCTCS. At the event, 89 System Office employees received five-year service pins, and President McCall gave a presentation on accomplishments of the System.

Additionally, in honor of the fifth anniversary, an editorial page column by President McCall on the accomplishments of the System was distributed to state and national newspapers. During July, the editorial page column was printed in at least 23 publications, including the *Community College Times*, *The Courier-Journal*, the *Lexington Herald-Leader*, the *Henderson Gleaner*, the *Ashland Daily Independent*, and the *Somerset Commonwealth-Journal*. Also, distribution of the article spawned interviews of President McCall by several media outlets, including the Herald-Leader, the Owensboro Messenger-Inquirer, and WEKU-FM radio (see attached August 7, 2003 *Herald Leader* article and *Community College Times* article).

Accreditation Update (SAIL) – Learning Resources

The Commission on Colleges of the Southern Association of Colleges and Schools (SACS) approved consolidation for the following KCTCS colleges at the June 2003 Commission meeting:

- Owensboro Community College and Owensboro Technical College.
- Somerset Community College, Somerset Technical College, and Laurel Technical College.

At the same meeting, the Commission on Colleges accepted the prospectus for substantive change for consolidation of Elizabethtown Community College and Elizabethtown Technical College and also accepted the prospectus for substantive change for consolidation of Maysville Community College and Rowan Technical College. Both districts will host visiting teams in 2003-2004.

SACS consolidation site visits have been scheduled for August 25-27, 2003, at Ashland Community and Technical College and for September 3-5, 2003, at West Kentucky Community and Technical College.

National Recognition of KCTCS Students – SkillsUSA-VICA Awards

Sixteen KCTCS students competed in late June at the national SkillsUSA-VICA event in Kansas City. SkillsUSA-VICA is a national organization, serving high school and college students and professional members enrolled in technical, skilled, and service programs, including health programs.

Additional State and National Recognition of KCTCS

The *Changing Lives* marketing campaign continues to earn recognition on the state, regional, and national levels.

- The campaign, which promotes KCTCS colleges to prospective students and employers, won five awards recently from the Public Relations Society of America. The awards honored the President's Report newsletter, a student recruitment brochure, an editorial page column by President McCall, the student recruitment CD, and the KCTCS annual report. Over the last two years, the campaign has won 19 awards from five organizations.
- The campaign was the focus of three recent presentations - two sessions of state government communicators and the national conference of the National Council on Marketing and Public Relations (NCMPR). A fourth presentation to a regional conference of NCMPR is planned in September.
- The state of Washington, which features a central office and colleges, is studying the Kentucky campaign as a model on which to base its own marketing efforts.

OTHER HIGHLIGHTS:

2000-2005 Strategic Plan, July 2003 Edition and Performance Indicators Update

The Strategic Plan for 2000-2005 was updated to include the 2003-05 system priorities and revised performance indicators. The 2003-05 priorities are based on input from the Board of Regents, the college presidents, and faculty and staff from across the system. Changes from last year include consolidating some of the priorities and rewording others. The new priorities will be the foundation for action plans for the next two years. The performance indicators are now tied to the strategic goals with specific targets for achievement. Progress on the indicators will be reported to the Board periodically as information on certain targets becomes available. A report will be distributed annually to review progress on the Strategic Plan and performance indicators (see attached *Strategic Plan 2000-2005, July 2003 Edition* booklets and revised performance indicators).

Council on Postsecondary Education (CPE) Meeting Update

At the July 28, 2003, meeting, the CPE agenda included the following items of interest to KCTCS:

- **Action: 2004-06 Operating and Capital Budget Development** - CPE approved the following items as part of the preparation of the final CPE biennial budget recommendation in November: 1) revisions to the benchmark institutions and mandated programs and 2) special initiatives funding request guidelines and criteria revisions. Additionally, CPE reviewed and discussed the issues related to the budget development working committees and the 2004-06 Capital Budget.
- **Action: Adult Education Reorganization** – CPE accepted the provisions outlined in the Executive Order that transferred the operations of the Department for Adult Education and Literacy from the Workforce Development Cabinet to CPE.
- **Action: Program Productivity Review Reports for KCTCS and LCC** – CPE accepted the report that reviewed 91 KCTCS programs and identified 19 as low productivity programs; of which, KCTCS will close three, alter 13, and retain three that provide other valuable services to the colleges. The three programs to be closed are: Jefferson Community College's Plastics Technology/Technician, Maysville Community College's Environmental Science Technology, and West Kentucky Community and Technical College's Occupational Therapy Assistant. The three retained programs (Jefferson Community Colleges's Occupational Therapy Assistant and Respiratory Therapy Technician and Prestonsburg Community College's Dental Hygienist) will be subject to review in 2004. The remaining retained programs will be altered to address state workforce needs.
- **Action: American Diploma Project State Plan** – CPE approved the state plan that resulted from the American Diploma Policy Panel of the P-16 Council. The plan includes benchmarks of college and workplace readiness in English language arts and mathematics for use as high school exit standards.
- **Update: Workforce Development Cabinet's 2002 Labor Market Information Survey** – The results of the survey, a comprehensive study of labor supply and demand in Kentucky, indicate that while the demand for low-skill workers in Kentucky remains high, the need for a workforce with bachelor's degrees exceeds the percentage of the population with the credential. CPE plans to use the survey results in developing future policy and program approval decisions.

Other Updates were provided as follows: proposed revisions to the *Key Indicators of Progress Toward Postsecondary Reform* and a report on the *Institutional Initiatives* for improving progress on the Key Indicators where results fell short of established goals; the *Program Review and Investigations Report* and recommendations for improving CPE's role in Postsecondary Education Reform; and activities of the *Institute for Effective Governance* and the upcoming *Governor's Conference on Postsecondary Education Trusteeship* scheduled for September 21-22, 2003.

Interim Joint Education Committee's Subcommittee on Postsecondary Education (SCOPE)
KCTCS, CPE, and the public universities provided testimony to the legislative Subcommittee on Postsecondary Education at the meeting August 4, regarding issues related to the 2003 postsecondary education tuition increases.

National Council of State Directors of Community Colleges (NCSDECC)
President McCall attended the August 3-5, 2003, annual meeting held in Traverse City, Michigan. State and national budget issues and trends were the focus of the meeting.

American Association of Community Colleges (AACC)
As a member of the AACC Board and Executive Committee, President McCall attended the August 5-8, 2003, Board and Retreat meeting held in Washington, D.C. Economic and workforce development were the focus of the meeting.

Revised Indicators and Definitions

August 15, 2003

Goal	Indicator	Definition	Performance Target			
			2001-02	2002-03	Projected 2003-04	Percent Increase
Student Access, Success, and Services	Enrollment Growth	Headcount	63,120	67,812	69,982	3.2%
		Full-time equivalent (FTE)	33,459	36,146	37,411	3.5%
		Former GED student enrollment				
		Former adult basic education student enrollment				
		Affordability: <i>tuition less than or equal to 4 percent of median KY family income and as compared to benchmark state systems (see attached).</i>		2.94%	Less than or equal to 4%	NA
		Early Leavers With Marketable Skills (ELMS): <i>baseline headcount data to be established for the academic year plus percent increase to be determined annually thereafter.</i>				
			Caucasian 84%	Caucasian 80%	***	NA
			African-American 8%	African-American 7%	***	NA
			Asian 1%	Asian 1%	***	NA
			Hispanic 1%	Hispanic 1%	***	NA
			Unknown 6%	Unknown 11%	***	NA
			Am. Indian/ Alaskan Native < 1%	Am. Indian/ Alaskan Native < 1%	***	NA

Goal	Indicator	Definition	Performance Target			
			2001-02	2002-03	Projected 2003-04	Percent Increase
Student Access, Success, and Services (Continued)	Diversity (formerly Racial and Gender Diversity) (Continued)	Employee headcount percentage: ***equal to population percentage to be calculated by district and for the system as a whole (shown here). Note: CPE uses 8 percent as the proportion of Kentucky's African American population in the Kentucky Plan.	Caucasian 92.8%	Caucasian 93.3%	***	NA
			African-American 6.1%	African-American 5.7%	***	NA
			Asian .6%	Asian .8%	***	NA
			Hispanic .3%	Hispanic .2%	***	NA
			Am. Indian/Alaskan Native .1%	Am. Indian/Alaskan Native .1%	***	NA
Program Quality and Effectiveness	Educational Effectiveness	Retention: a retained student is defined as a student who begins as a member of a cohort of new fall term students enrolled in a credential program and who is determined to be any of the following: an early leaver with marketable skills (ELMS), a recipient of a credential, a transfer to another higher education institution, or a returnee in the next fall term. Note: Data shown for 2001-02 and 2002-03 does not include ELMS or complete transfer information.	55.13% (Fall 2000 students returning in Fall 2001)	55.90% (Fall 2001 students returning in Fall 2002)	60.0%	7.3%
			3,708 Certificates	3,933* Certificates	4,130	5.0%
			1,608 Diplomas	1,703* Diplomas	1,788	5.0%
			3,706 Associates	4,230* Associates	4,441	5.0%
		Transfer: a transferred student is one who moves directly to another accredited higher education institution after attendance at a KCTCS college.	2,329	2,416	2,537	5.0%

Goal	Indicator	Definition	Performance Target			
			2001-02	2002-03	Projected 2003-04	Percent Increase
Program Quality and Effectiveness <i>(Continued)</i>	Educational Effectiveness <i>(Continued)</i>	Pass rates of KCTCS students taking national licensure exams. <i>Note: A list of all applicable exams is being assembled.</i>	NA			
		Exit surveys for all students receiving credentials (degrees, diplomas, certificates)	Overall Instruction 91.1% are Satisfied to Very Satisfied	Overall Instruction 96.5% are Satisfied to Very Satisfied	98.0%	
			Recommend College to Another Student 73.9%	Recommend College to Another Student 85.6%	90.0%	
			Transferring to Another Institution 37.7%	Transferring to Another Institution 61.8%	65.0%	
Professional and Organizational Development	Professional development programs	Percent of budget spent on professional and organizational development activities: <i>equal to 4 percent of total budget.</i>	NA		Equal to 4% of total budget	NA

Goal	Indicator	Definition	Performance Target			
			2001-02	2002-03	Projected 2003-04	Percent Increase
Community/ Economic Development and Partnerships	Economic and Cultural Impact (formerly Workforce Training and Development, and Community Outreach)	Headcount in credit and non-credit courses, including Fire/Rescue and company-sponsored programs <i>Note: Credit-seeking and non-credit-seeking can be combined, but the two groups are not mutually exclusive, so it will contain duplicates.</i>	56,405 (Credit- Seeking Students)	64,287 (Credit- Seeking Students)	67,502	5.0%
		Employment assessments	36,192			
		Adult basic education (non-credit) classes	20,358			
		Community education (non-credit) classes	25,106			
		Employer satisfaction with training services: <i>baseline satisfaction to be established plus percent increase to be determined annually thereafter.</i>	NA		First data to be collected 6/30/04	
		Employer satisfaction with graduates: <i>baseline satisfaction to be established plus percent increase to be determined annually thereafter.</i>	NA		First data to be collected 6/30/04	
		Attendance at cultural events	NA		NA	

Goal	Indicator	Definition	Performance Target			
			2001-02	2002-03	Projected 2003-04	Percent Increase
Resource Development	Fiscal Management Effectiveness (formerly Stewardship of Available Resources, and Funding Level)	External audit report	Clean	Clean	Clean	NA
		Funding sources: General Fund Increases (<i>see attached</i>)	\$181,445,800 6.67% increase	\$185,313,100 2.13% increase	\$189,097,700	2.04%
		Grants and Contracts	\$40,004,860	\$41,979,133 (as of 4/30)		5.0%
		Advancement: external and gift funding	\$7,938,145	\$4,665,849 (as of 4/30)		5.0%
		Per student funding (<i>see attached</i>)	\$7,384 .62% decrease	\$7,343 .56% decrease	\$7,673	4.5%
Unified System of Colleges and Public Recognition	Institutional Profile (new indicator)	Consolidation status: <i>number of colleges progressing in consolidation stages during the year.</i>	3	2	5	NA
		Media articles appearing in regional or national publications	123	101	NA	
		Presentations in national venues by KCTCS personnel	NA			

Affordability Indicator Background

5/13/2003

Benchmark State	FY2002 Median Income for 4-Person Families *	FY2003 Tuition**	% Tuition of Median Income
AR	46,671	1,392	2.98%
CT	75,505	1,872	2.48%
IA	58,075	1,902	3.28%
KY	52,186	1,536	2.94%
MN	66,677	2,136	3.20%
NC	56,115	822	1.46%
OH	56,237	2,184	3.88%
SC	55,978	2,304	4.12%
TN	51,999	1,740	3.35%
VA	64,352	1,337	2.08%

*Source: U.S. Census Bureau - used by the Dept. of Health and Human Services for the Low Income Home Energy Assistance Program.

** Based on 24 semester hours per year

Rank High to Low	Benchmark State	FY2002 Median Income for 4- Person Families *	FY2003 Tuition**	% Tuition of Median Income
1	SC	55,978	2,304	4.12%
2	OH	56,237	2,184	3.88%
3	TN	51,999	1,740	3.35%
4	IA	58,075	1,902	3.28%
5	MN	66,677	2,136	3.20%
6	AR	46,671	1,392	2.98%
7	KY	52,186	1,536	2.94%
8	CT	75,505	1,872	2.48%
9	VA	64,352	1,337	2.08%
10	NC	56,115	822	1.46%

General Fund Dollar and Percent Change

<u>Fiscal Year</u>	<u>State Appropriation</u>	<u>Dollar Increase</u>	<u>Percent Increase</u>
1998-99	\$ 158,683,900		
1999-00	\$ 165,146,400	\$ 6,462,500	4.07%
2000-01	\$ 170,101,400	\$ 4,955,000	3.00%
2001-02	\$ 181,445,800 1) - 2)	\$ 11,344,400	6.67%
2002-03	\$ 185,313,100 3)	\$ 3,867,300	2.13%
2003-04	\$ 189,097,700 4)	\$ 3,784,600	2.04%

Footnotes: 1) FY 2001-02 reflects recurring budget reduction of \$3,303,200

2) FY 2001-02 Includes Workforce Development Trust Funds of \$6.0 million, Enrollment Growth Trust Funds of \$1.75 million, Faculty Development funds of \$0.1 million as a part of the state appropriation base transferred from the CPE appropriation base.

3) FY 2002-03 reflects recurring budget reduction of \$4,409,600 and M&O and Debt Service Adjustment of \$0.4 million as a part of the state appropriation base, transferred from the CPE appropriation base.

4) FY 2003-04 includes FY 2002-03 revised recurring base of \$185,313,100 and Benchmark Funding of \$3.8 million.

Public Funds - Student FTE Funding

<u>Fiscal Year</u>	<u>Public Funds*</u>		<u>Student FTE</u>	<u>Funding Per FTE</u>	<u>Dollar Increase Per FTE</u>	<u>Percent Increase</u>
2000-01	\$ 223,342,000	1)	30,059	\$ 7,430		
2001-02	\$ 247,073,000	1)	33,459	\$ 7,384	\$ (46)	-0.62%
2002-03	\$ 265,438,000	2)	36,148	\$ 7,343	\$ (41)	-0.56%
2003-04	\$ 286,253,700		37,305	\$ 7,673	\$ 330	4.50%

* Public Funds consist of State Appropriation and Tuition and Fees

Footnotes: 1) Based on year-end audited figures.

2) Based on FY 2002-03 and FY 2003-04 budgeted figures.

3) Estimated.



RESOLUTION
Pertaining to
Direction, Acknowledgement, and Consent
Authorizing Call of Certain Bond Issues

WHEREAS, the *Kentucky Postsecondary Education Improvement Act of 1997* as amended (*The Act*) creates the Kentucky Community and Technical College System; and

WHEREAS, *The Act* mandates that KCTCS “... be responsive to the needs of students and employers in all regions of the Commonwealth with accessible education and training to support the lifelong learning needs of Kentucky citizens ...”; and

WHEREAS, *The Act* states that “the government of each of the state universities and the Kentucky Community and Technical College System is vested in its respective board of regents. Each board of regents ... shall constitute a body corporate, with the usual corporate powers, and with all immunities, rights, privileges, and franchises usually attaching to the governing bodies of educational institutions”; and

WHEREAS, *The Act* authorizes the KCTCS Board of Regents to “... receive grants of money and expend the same for the use and benefit of the colleges...”; and

WHEREAS, *The Act* states that “the governing board shall attempt in every practicable way to insure the institution’s supplying its real needs at the lowest possible cost...”; and

WHEREAS, *The Act* states that “the acquisition and disposition of real property for the colleges under the jurisdiction of the Kentucky Community and Technical College board of regents that are the property of the University of Kentucky shall be approved by the Kentucky Community and Technical College System board of regents, which shall transmit the action to the University of Kentucky board of trustees for approval”; and

WHEREAS, the State Property and Buildings Commission and the Finance and Administration Cabinet of the Commonwealth of Kentucky have determined that the Commonwealth of Kentucky will reduce its annual debt service costs by refinancing certain bonds initially issued by the University of Kentucky for buildings now under the jurisdiction of the Kentucky Community and Technical College System; and

WHEREAS, the State Property and Buildings Commission and the Finance and Administration Cabinet of the Commonwealth of Kentucky have requested the KCTCS Board of Regents approve the call of certain bond issues for the purpose of refinancing said issues,

NOW, THEREFORE, BE IT RESOLVED, pursuant to the Memoranda of Agreement (“Agreements”) on Delegation and Assumption dated January 14, 1998, and January 30, 2001, by and between the Board of Regents of the Kentucky Community and Technical College System (the “KCTCS”) and the Board of Trustees of the University of Kentucky (the “University”), the KCTCS hereby directs the University to call Educational Buildings Revenue Bonds Series I; Educational Buildings Revenue Bonds Series J; and certain bonds of Educational Buildings Revenue Bonds Series A, C, F and H (Second Series) prior to maturity and hereby acknowledges and consents to such call for redemption prior to maturity.

Through review and analysis of the above bond issues and current market conditions, it has been determined that considerable cost savings can be achieved by the refinancing of these issues. The State Property and Buildings Commission will issue new bonds to achieve said refinancing with the resulting debt being assumed and managed by the Commonwealth of Kentucky.

BE IT FURTHER RESOLVED, that the KCTCS President and such other officers as may be required are authorized to take such other and further actions as shall be necessary and helpful in effectuating the call of said bond issues.

BE IT FURTHER RESOLVED, that the KCTCS President is hereby authorized and directed to take such action as he deems appropriate to carry out the transactions contemplated in the foregoing Resolutions.

ADOPTED, this fifteenth day of August, 2003.

Joseph B. Wise, III, Secretary
KCTCS Board of Regents

Cynthia L. Read, Chair
KCTCS Board of Regents